TITLE 13. CALIFORNIA AIR RESOURCES BOARD

NOTICE OF PUBLIC HEARING TO CONSIDER AMENDMENTS TO THE CALIFORNIA ZERO-EMISSION VEHICLE REGULATIONS

The Air Resources Board (ARB or Board) will conduct a public hearing at the time and place noted below to consider amendments to the California zero-emission vehicle (ZEV) regulations.

DATE: January 25, 2001

TIME: 9:00 a.m.

PLACE: 2020 L Street (Hearing Room, Lower Level)
(Revised 1/9/01)
Sacramento, CA 95814

This item will be considered at a two-day meeting of the Board, which will commence at 9:00 a.m., January 25, 2001, and may continue at 8:30 a.m., January 26, 2001. This item may not be considered until January 26, 2001. Please consult the agenda for the meeting, which will be available at least 10 days before January 25, 2001, to determine the day on which this item will be considered.

This facility is accessible to persons with disabilities. If accommodation is needed, please contact the Clerk of the Board at (916) 322-5594, or TDD (916) 324-9531 or (800) 700-8326 for TDD calls from outside the Sacramento area by January 10, 2001, to ensure accommodation.

PLEASE DO NOT SEND COMMENTS TO THE ABOVE ADDRESS, AS THE AIR RESOURCES BOARD WILL HAVE MOVED TO ITS NEW HEADQUARTERS BUILDING IN DECEMBER 2000. SEE "**SUBMITTAL OF COMMENTS**" BELOW.

INFORMATIVE DIGEST OF PROPOSED ACTION AND PLAIN ENGLISH POLICY STATEMENT OVERVIEW

Sections Affected: Amendments to title 13, California Code of Regulations (CCR), section 1962 and the incorporated "California Exhaust Emission Standards and Test Procedures for 2003 and Subsequent Model Zero-Emission Vehicles, and 2001 and Subsequent Model Hybrid-Electric Vehicles, in the Passenger Car, Light-Duty Truck, and Medium-Duty Vehicle Classes."

The Current ZEV Regulations

The California ZEV regulations were originally adopted in 1990, as part of the first ARB Low-Emission Vehicle (LEV I) regulations. The ZEV program is an integral part of California's mobile source control efforts, and is intended to encourage the development of advanced technologies that will secure increasing air quality benefits for California now and into the future.

As originally adopted, the ZEV regulations required that specified percentages of the passenger cars and lightest light-duty trucks produced by each of the seven largest auto manufacturers be ZEVs, starting in 1998. The percentages were 2 percent for the 1998-2000 model years and 5 percent for the 2001-2002 model years. A requirement of 10 percent ZEVs applied to all but small-volume manufacturers starting in model-year 2003. The ZEV program also includes a

marketable credits system.

In 1996 the ARB modified the regulations to allow additional time for the technology to develop. The requirement for 10 percent ZEVs in model years 2003 and beyond was maintained, but the sales requirement for model years 1998 through 2002 was eliminated. At that same time, the ARB entered into Memoranda of Agreement (MOAs) with the seven largest auto manufacturers. Under the MOAs the manufacturers agreed to place more than 1,800 advanced-battery electric vehicles (EVs) in California in the years 1998 through 2000, and the ARB agreed to work with state and local governments to help develop ZEV infrastructure and remove barriers to ZEV introduction.

As part of the 1998 "LEV II" rulemaking, the ARB provided additional flexibility in the ZEV program by allowing additional types of vehicles to be used to meet program requirements. Under the 1998 amendments, manufacturers may use partial credits of 0.2 or more generated from vehicles with extremely low emissions (referred to as partial ZEV allowance vehicles or PZEVs) to meet the 10 percent ZEV requirement. However, large-volume manufacturers must, at a minimum, have 4 percent of their California fleet of passenger cars and lightest trucks be vehicles classified as "full" ZEVs.

Other aspects of the program provide additional options to manufacturers. Auto companies can earn extra ZEV allowances by introducing vehicles before the 2003 model year, thereby reducing their total ZEV obligation. Extra allowance is also available for battery electric vehicles with more than a 100-mile range per charge. Manufacturers may also delay compliance by one year provided they produce two years' worth of ZEVs by the end of the 2004 model year.

If no change is made to today's ZEV regulation, ARB staff estimates that approximately 22,000 full function electric vehicles would need to be offered for sale in 2003 to meet a four percent ZEV requirement. However, this total could change significantly, up or down, based on each manufacturer's actual production decisions and their chosen compliance path. As noted above, early ZEV introduction or the use of additional vehicles with extended range would decrease the 2003 obligation. Reduced reliance on PZEVs, on the other hand, would increase the number of ZEVs needed. Widespread use of City EVs or Neighborhood Electric Vehicles (NEVs) also would increase the required number of EVs, because such vehicles earn fewer credits per vehicle than the full function EVs that are the basis of the 22,000 estimate. Staff estimates that, under the current regulations, ZEV production of full function vehicles at the 4 percent level would reach 31,000 in the 2006 model year, and 39,000 in 2008 and beyond.

The 2000 Biennial Review

When the Board adopted the LEV I regulations in 1990, it directed staff to report biennially on the status of technological progress towards meeting the LEV and ZEV requirements. As part of the 2000 Biennial Review, in August the staff released a Staff Report assessing the technical and economic issues related to ZEVs. Since auto makers generally need three years' lead time for production, this most recent biennial review was also the last significant opportunity to assess their readiness for meeting the 2003 requirements.

The staff concluded that ZEVs provide comprehensive environmental, energy and societal benefits. They are the "gold standard" for vehicular air pollution control. They reduce both criteria and toxic pollutant emissions to the maximum feasible levels. High-efficiency ZEVs and hybrid-electric near-ZEVs also cut emissions of carbon dioxide and other greenhouse gases. Finally, ZEVs minimize the multi-media impacts of vehicle operation, eliminating the need for a whole host of upstream petroleum refinery, storage and delivery activities. Admittedly, ZEVs have their own upstream impacts related to power generation and create new waste disposal issues. However, on an overall lifecycle basis, they are environmentally superior to conventional automobiles. Advanced

battery ZEVs and hybrid-electric near-ZEV technologies are also highly efficient, reducing absolute energy demand per mile of vehicle operation. Finally, ZEVs have the potential to be powered by renewable sources of energy such as wind, hydropower or solar energy. The societal benefits of ZEVs include their clean, quiet operation in neighborhoods and on city streets.

The ZEVs available today are battery electric vehicles. Batteries are the single most expensive component of electric vehicles. For that reason, affordable battery packs – both today and when produced in volume – are crucial to achieving a sustainable electric vehicle market. ARB contracted with a team of outside experts to obtain the best available information on battery advances, costs and future trends. The Battery Panel concluded that nickel metal hydride (NiMH) batteries were the most promising advanced technology, having both high performance and the longest useful life. Unfortunately, the Panel also concluded that battery costs are high and will not meet cost-competitive targets for some time. Although volume production will help, a breakthrough is needed to achieve truly affordable NiMH packs.

Today's ZEVs are more costly for manufacturers to make than any other vehicle technology being produced for sale between now and 2003. As noted above, most of that cost differential stems from the battery pack. The cost gap will narrow as technology improves and manufacturers move to volume production. However, there is no getting around the fact that near-term ZEVs will be relatively more expensive to produce. Staff estimates that the incremental costs for ZEVs in 2003 will range from $7,500 for City EVs, up to more than $20,000 for freeway capable ZEVs with advanced NiMH batteries. These calculations exclude the costs incurred for research and development of each ZEV model. Under an optimistic but nonetheless plausible scenario, battery EVs could become cost-competitive with conventional vehicles on a lifecycle cost basis. This scenario assumes volume production of more than 100,000 ZEVs per year.

There is significant disagreement over the extent of market demand for electric vehicles. Manufacturers assert that the lack of leases during the first years when vehicles were available means that the market can only absorb a few hundred ZEVs per year. Electric vehicle advocates and fleet operators point to current waiting lists as evidence of strong customer interest and pent-up demand. Staff views this as the most difficult area in which to develop reliable estimates. The entire market is new and product availability has been constrained such that true consumer interest is exceedingly difficult to gauge.

At its September 7 and 8, 2000 meeting, the Board considered the status of the ZEV program. After hearing extensive testimony and public comment, the Board adopted a resolution affirming that the ZEV program is an essential component of the State's long-term air quality strategy. The Board further resolved that the basic ZEV requirements be retained and implemented in California. Finally, the Board directed staff to develop and propose regulatory modifications and other steps that address the challenges associated with the successful long-term implementation of the ZEV program, and that result in a sustainable market for ZEVs. In particular, the Board identified the need for near-term product availability and market stability, the need to greatly enhance public education regarding the attributes and benefits of ZEV technologies, and the need to reduce or mitigate the high initial costs of vehicles and batteries in low-volume production.

The Proposed Amendments

In preparing the proposed amendments in response to the Board's directions, the staff has pursued the following objectives:

- Provide incentives for ongoing technology advancement, across a wide variety of vehicle types (both ZEVs and PZEVs).

- Maintain the visibility and momentum of the ZEV program during this period of further development.
- Ensure that an adequate number of battery EVs is available in the near term to explore many different possible market applications.

- Take advantage of the air quality benefits afforded by available PZEV technology.
- Adjust the near term production requirements to better correspond to PZEV availability and the emerging market for ZEVs.

The staff is proposing two basic types of amendments. The first is adjustments to the rate and timing of ZEV and PZEV introduction to better reflect the near-term realities of cost and availability. The second is adjustments to the credit and allowance calculation mechanism and the incentives that it provides. The staff is also proposing several miscellaneous administrative and cleanup changes. The proposed amendments include the following changes.

Adjustments to the rate and timing of ZEV and PZEV introduction

Introduction of PZEVs. The staff is proposing the establishment of multipliers for the introduction of PZEVs that would provide extra allowances for PZEVs in the early years. The proposed phase-in level is 25 percent of the current requirement in 2003, 50 percent in 2004, 75 percent in 2005, and 100 percent in 2006. In addition, the existing SULEV intermediate compliance standards would apply to all 2005 and earlier model-year PZEVs. Manufacturers would also be provided two years to make up a PZEV shortfall rather than the one year allowed under the current regulation.

Introduction of ZEVs. Several proposed changes would have the overall effect of reducing the number of ZEVs required, especially in the early years of the program. First, the range and phase-in multipliers would be decoupled; the replacement range multiplier is discussed below. ZEVs introduced before the 2006 model year would receive the following multipliers: 4.0 for the 2001 and 2002 model years and 1.25 for the 2003-2005 model years.

The credits earned by NEVs, which have a top speed of no more than 25 miles per hour, would be reduced to 0.5 for the 2004 and 2005 model years. For 2006 and subsequent years the credit would be further reduced to 0.15.

Staff is also proposing that the 10 percent ZEV requirement for large and medium-duty manufacturers be ramped up to 11 percent for the 2009-2011 model years, 12 percent for the 2012-2014 model years, 14 percent for the 2015-2017 model years, and 16 percent for 2018 and subsequent model years.

Modifications to the Incentive Structure

Classifying hybrid-electric vehicles with an all electric range of 20 miles or more as ZEVs. Staff proposes that hybrid-electric vehicles that have an all electric range of 20 miles or more, and also meet the basic PZEV requirements, be allowed to satisfy the 4 percent ZEV requirement. The credits earned by such vehicles would be calculated according to their zero emission range, adjusted to reflect the fact that the effective range of such vehicles is greater than that of pure battery electric vehicles due to their hybrid powertrain.

Allowing advanced technologies to satisfy part of the 4 percent ZEV requirement. Staff proposes that certain other advanced technologies that are not ZEVs be allowed to satisfy up to one half of the 4 percent portion of the ZEV requirement. The advanced technologies would be any PZEV qualifying for an allowance of 0.4 or more (before any multipliers), and allowances earned by manufacturers due to placing vehicles as part of a "transportation system". (Please note that under other proposed revisions outlined below, power-assist hybrid-electric vehicles would earn an allowance of 0.45, and thus would be eligible to take advantage of this option.) The current mechanism under which a

PZEV earning a score of 1.0 is considered a full ZEV allowance vehicle, not subject to the 60 percent limit for PZEV allowances, would be eliminated.

Staff also proposes that manufacturers that meet an accelerated PZEV phase-in schedule (50 percent of the current requirement in 2003 and 100 percent of the current requirement in 2004) be granted an additional 2 years to make up any shortfall in their use of the advanced technology PZEV option in 2003 and 2004.

As the ZEV requirement increases over time starting in the 2009 model year, staff proposes that the portion that can be satisfied by 0.2 allowance PZEVs be held at 6 percent. Thus the "ZEV" portion would gradually increase from 4 percent in the 2003 through 2008 model years to 10 percent by 2018. Staff proposes that up to one half of this ZEV portion could be satisfied by advanced technologies. Thus the amount that could be offset would be 2 percent in the 2003 model year, increasing to 5 percent in 2018.

Modifying the ZEV range credit. The proposal would modify the ZEV range credit to reduce the minimum range needed for multiple credits to 50 miles. As range increases from 50 miles to 275 miles, the credit would increase from 1 to 10. Because vehicles with a refueling time of less than 10 minutes earn the maximum credit regardless of range, a hydrogen fuel cell vehicle would earn 10 credits, not including any phase-in multiplier.

Additional credits for a vehicle in California service for more than three years with an extended battery/fuel cell stack warranty. Under the proposal a manufacturer would receive a credit of 0.1 times the original credit value of the vehicle for each year that a vehicle remains in service in California past three years with extended warranty coverage on the battery or fuel cell stack. The credit would be earned at the end of the year of service, and would be available for use in the following year.

Increasing the Advanced ZEV Componentry Allowance for PZEVs. The current regulation provides an allowance of 0.1 for vehicles that do not qualify for a zero-emission VMT allowance but are equipped with advanced ZEV componentry. The proposal would increase the advanced ZEV componentry allowance to 0.25. Thus a PZEV power-assist hybrid-electric vehicle would earn an allowance of 0.45, before any phase-in multipliers.

Credit multiplier based on vehicle efficiency, phased in beginning in 2005. The existing regulation does not address vehicle energy efficiency directly, but does so indirectly with the range multiplier. The proposal would establish an efficiency multiplier that would partially replace the range multiplier on a phased-in basis beginning in 2005. The efficiency multiplier would be limited to ZEVs and advanced technology PZEVs (PZEVs qualifying for an allowance of 0.4 or more, before any multipliers). All vehicle efficiencies (gasoline, CNG, electric) would be converted into the common units of miles per gallon equivalent (mpeg). In order to earn any credit, a vehicle would have to have an efficiency that is at greater than a baseline level. The multiplier earned would be the larger of 1.0 or the vehicle mpeg divided by the baseline. For ZEVs, as the efficiency multiplier is phased in, the range multiplier would be reduced to one half of its initial value. For PZEVs, the efficiency multiplier would be in addition to the current scores earned.

Allowances for vehicles placed in an approved demonstration program. Staff proposes that vehicles placed in advanced technology demonstration programs (e.g., Fuel Cell Partnership vehicles) earn ZEV allowances even if they are not "delivered for sale".

Requiring vehicle placement in order to earn multiple allowances. Under the proposal, vehicles that are "delivered for sale" but not actually placed in service would earn only one allowance. Multiple allowances would only be available to vehicles that are actually placed in service in California. To

earn multiple allowances, manufacturers would be required to certify to the Executive Officer the number of vehicles placed in service during the course of the model year.

Sales volume number used to determine the ZEV obligation. Under the current regulation, the ZEV obligation for a manufacturer in a given model year is based upon the number of passenger cars and light-duty trucks sold by the manufacturer in that same model year. As a result the exact obligation is not known in advance, which complicates compliance planning. In order to provide greater certainty, the proposed amendments would make the sales volume used to determine manufacturers' ZEV obligation in a given year a function of vehicle sales in a prior year, and freeze the volume number for three years at a time. This change would be limited only to the determination of the sales volume against which the ZEV percentage requirements are assessed in a given year. It would not affect the determination of manufacturer status (large vs. intermediate vs. small), which is handled separately.

Changes pertaining to manufacturer categories. The proposal would increase the maximum size cut-off for an intermediate volume manufacturer from 35,000 to 60,000 new light- and medium-duty vehicles per model year. When a manufacturer transitions from intermediate to large volume manufacturer, there would be no "pure" ZEV obligation for the manufacturer until the sixth model year after three consecutive model years over the large manufacturer threshold. An independently owned manufacturer with California sales of light- and medium-duty vehicles not exceeding 10,000 per year would not be subject to the ZEV requirement.

In addition to the regulatory changes, the staff will recommend that the Board eliminate the regularly scheduled Biennial Reviews, and instead review the program on an as-needed basis.

AVAILABILITY OF DOCUMENTS AND AGENCY CONTACT PERSON

The ARB staff has prepared a Staff Report: Initial Statement of Reasons (ISOR) for the proposed regulatory action that includes a summary of the environmental and economic impacts of the proposal. Copies of the Staff Report and the full text of the proposed regulatory language may be obtained from the ARB's Public Information Office, 1001 "I" Street, Sacramento, CA 95814, (916) 322-2990. This notice, the ISOR, and subsequent regulatory documents will also be available on the ARB's Internet site for this rulemaking at: **http://www.arb.ca.gov/regact/zev2001/zev2001.htm.** The Board staff has also compiled a record that includes all information upon which the proposal is based. This material is available for inspection upon request to the agency contact person identified below.

The ARB staff has determined that it is not feasible to draft the regulation in plain English due to the technical nature of the regulation; however, a plain English summary of the regulation is available from the agency contact person named in this notice, and is also contained in the ISOR for this regulation action.

To obtain the ISOR in an alternate format, please contact the Air Resources Board's ADA Coordinator at (916) 323-4916, TDD (916) 324-9531, or (800) 700-8326 for TDD calls from outside the Sacramento area.

Further inquiries regarding the proposed amendments should be directed to the agency contact person for this rulemaking, Chuck Shulock, Vehicle Programs Specialist, at (916) 322-6964.

COSTS TO PUBLIC AGENCIES AND TO BUSINESSES AND PERSONS AFFECTED

The determinations of the Board's Executive Officer concerning the costs or savings necessarily incurred in reasonable compliance with the proposed regulatory action are presented below.

The Executive Officer has determined that the proposed regulatory action will not create costs or savings, as defined in Government Code section 11346.5(a)(6), to any state agency or in federal

funding to the state, costs or mandate to any local agency or school district whether or not reimbursable by the state pursuant to part 7 (commencing with section 17500), division 4, title 2 of the Government Code, or other non-discretionary costs or savings to local agencies.

In developing this regulatory proposal, the ARB staff evaluated the potential economic impacts on private persons and businesses. Any business involved in manufacturing, purchasing or servicing passenger cars and light-duty trucks could be affected by the proposed amendments. Also affected are businesses that supply parts for these vehicles. California accounts for only a small share of total nationwide motor vehicle and parts manufacturing. There are 40 companies worldwide that manufacture California-certified light- and medium-duty vehicles and heavy-duty gasoline engines. Only one motor vehicle manufacturing plant is located in California, the NUMMI facility, which is a joint venture between GM and Toyota.

The Executive Officer has determined that proposed regulatory action would significantly reduce costs to motor vehicle and parts manufacturers, and would not have a significant adverse cost impact on directly affected persons or businesses. In comparing the projected compliance costs associated with the current regulations and the proposed amendments, the key factors are (1) the number of vehicles that are required to be placed, and (2) the incremental cost per vehicle. Both must be estimated, and both estimates are subject to considerable uncertainty. Although the direction of the cost impact of the proposed amendments is clear – they will reduce the cost of the program – the magnitude of the savings is much more difficult to assess.

Under the current regulation, for model year 2003 roughly 22,000 ZEVs would have to be produced assuming 100 percent full function vehicles, and about 38,600 ZEVs would have to be produced if the manufacturers built 100 percent City EVs or NEVs. In addition, large manufacturers would produce about 290,000 PZEVs, and intermediate manufacturers would produce another 90,000 PZEVs.

The total near-term incremental cost for full function ZEVs is estimated to range between $13,000 and $24,000, depending on the type of vehicle and the battery employed. For City EVs the estimated near term incremental cost ranges from $7,500 to $10,000. PZEV SULEVs are estimated at $500 incremental cost, and PZEV HEVs at $3,300. In analyzing the cost impact of the proposed amendments, staff assumes an incremental cost of $17,000 for full function EVs (between the low and high staff estimates), $8,000 for City EVs, $1,000 for NEVs, $500 for PZEV SULEVs, and $3,300 for PZEV HEVs. Using these estimates and assumptions, the total cost of the current regulation for model-year 2003 would be roughly $39 million to $374 million for the 4 percent ZEV component (100 percent NEVs at the low end and 100 percent full function EVs at the high end), and roughly $190 million for the 6 percent PZEV component.

Staff has estimated the number of vehicles that would be required by the proposed amendments under two alternative scenarios. The first assumes full 4 percent ZEV production (no use of the 2 percent advanced technology PZEV option). Under this scenario, the number of ZEVs in 2003 is roughly 9,300 for full-function EVs, 23,500 for City EVs, or 30,900 for NEVs. The number of PZEVs in 2003 is roughly 72,000 for large manufacturers plus 22,500 for intermediate manufacturers. These vehicle totals result in a 2003 cost for 4 percent ZEV production of $31 million assuming NEVs,

$188 million assuming City EVs, and $158 million assuming full function EVs. The cost of PZEV production is roughly $47 million.

The second scenario for implementation of the proposed amendments assumes that manufacturers take full advantage of the option to offset 2 percent of the ZEV requirement using advanced technology PZEVs. For purposes of this scenario it is assumed that the advanced technology PZEVs offered for sale in 2003 would primarily be PZEV versions of power-assist hybrid-electric vehicles such as the Prius or Insight. Under this scenario the number of ZEVs is 4,650 assuming full

function, 11,750 assuming City EVs, and 15,500 assuming NEVs. It assumes 0.2 allowance PZEV production of about 72,000 for large manufacturers plus 22,500 for intermediate manufacturers. Finally, it assumes production of 10,700 advanced technology PZEVs. These vehicle totals result in a 2003 cost for ZEV production of $15 million for NEVs, $94 million for City EVs, or $79 million for full function EVs. The cost for regular (0.2 allowance) PZEVs is about $47 million, and the cost for advanced technology PZEVs is about $35 million.

Adding up the total cost of the program (ZEV, PZEV and advanced-technology PZEV production), the savings resulting from the proposed amendments in model year 2003 range from about $130 million (for a manufacturer that meets its ZEV obligation with 100 percent NEVs under both the current and amended regulation) to more than $400 million (for a manufacturer that meets its ZEV obligation with 100 percent full function EVs under both scenarios). The savings in model year 2004 would be less than in 2003, due to the increased volume of PZEV production required as the PZEV phase-in multiplier is reduced. The distribution of the savings among manufacturers, dealerships, vehicle purchasers and subsidy providers has not been estimated.

The Executive Officer has also determined that the proposed regulatory action will not have a significant adverse economic impact on businesses, including the ability of California businesses to compete with businesses in other states. In accordance with Government Code section 11346.3, the Executive Officer has determined that the proposed regulatory action will not affect the creation or elimination of jobs within the State of California, the creation of new businesses or elimination of existing businesses within California, or the expansion of businesses currently doing business within California.

The Executive Officer has also determined, pursuant to Government Code section 11346.5(a)(3)(B), that the proposed regulatory action will affect small business.

Before taking final action on the proposed regulatory action, the Board must determine that no alternative considered by the agency would be more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons or businesses than the proposed action.

SUBMITTAL OF COMMENTS

The public may present comments relating to this matter orally or in writing at the hearing, and in writing or by e-mail before the hearing. To be considered by the Board, written submissions must be addressed to and received by the Clerk of the Board, Air Resources Board, P.O. Box 2815, Sacramento, CA 95812, or 1001 "I" Street, 23rd Floor, Sacramento, California 95814, no later than 12:00 noon, January 24, 2001, or received by the Clerk of the Board at the hearing. To be considered by the ARB, e-mail submissions must be addressed to **zev2001@listserv.arb.ca.gov** and received at the ARB no later than 12:00 noon, January 24, 2001.

The Board requests but does not require 30 copies of any written submission. Also the ARB requests that written and e-mail statements be filed at least 10 days prior to the hearing so that ARB staff and Board Members have time to fully consider each comment. The ARB encourages members of the public to bring to the attention of staff in advance of the hearing any suggestions for modification of the proposed regulatory action.

STATUTORY AUTHORITY

This regulatory action is proposed under that authority granted in sections 39600, 39601, 43013, 43018, 43101, 43104 and 43105 of the Health and Safety Code. This action is proposed to implement, interpret and make specific sections 39002, 39003, 39667, 43000, 43009.5, 43013, 43018, 43100, 43101, 43101.5, 43102, 43104, 43105, 43106, 43107, 43204 and 43205.5 of the

Health and Safety Code.

HEARING PROCEDURES

The public hearing will be conducted in accordance with the California Administrative Procedure Act, title 2, division 3, part 1, chapter 3.5 (commencing with section 11340) of the Government Code. Following the public hearing, the Board may adopt the regulatory language as originally proposed, or with nonsubstantial or grammatical modifications. The Board may also adopt the proposed regulatory language with other modifications if the text as modified is sufficiently related to the originally proposed text that the public was adequately placed on notice that the regulatory language as modified could result from the proposed regulatory action; in such event the full regulatory text, with the modifications clearly indicated, will be made available to the public, for written comment, at least 15 days before it is adopted. Such changes could include, but are not limited to, modifications to the types of vehicles that can be used to satisfy the ZEV or advanced technology PZEV portions of a manufacturer's obligation, further adjustments to the calculation of credits and allowances earned, modifications to the phase-in schedules for various vehicle types, and allowing compliance with the existing ZEV requirements as an option. The public may request a copy of the modified regulatory text from the Board's Public Information Office, 1001 "I" Street, Sacramento, CA 95814, (916) 322-2990.

CALIFORNIA AIR RESOURCES BOARD

Michael P. Kenny

Executive Officer

Date: November 28, 2000

ZEV Regulatory Amendments Documents